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SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018-4214

VIA UPS 2nd DAY AIR

May 6, 2011

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Suite 100
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are one (1) original and two (2) copies of a Memorandum of Lease Agreement dated May 2, 2011. a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Owner: ATEL Leasing Corporation
600 California Street, 6th Floor
San Francisco, California 94108

Lessee: National Recycling Inc.
5 Strathearn Avenue
Brampton, ON L6T 4P1
Canada

Lessor/Manager: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018


A description of the railroad equipment covered by the enclosed document is for four (4) gondola cars. having AFCX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: **Memorandum of Lease**

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Sincerely,



Marcia Dunne
Senior Rail Documentation Specialist

Enclosures

(NARE001)

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ASSGN. NO.: NARE001

MEMORANDUM OF LEASE AND ASSIGNMENT

SOUTHERN ILLINOIS BOARD

THIS MEMORANDUM OF LEASE AND ASSIGNMENT (the "Memorandum") is made and entered into as of this the 2nd day of May, 2011, by and between First Union Rail Corporation (the "Lessor"), a North Carolina corporation, acting in its capacity as manager for ATEL Leasing Corporation, its successors and assigns, the owner of the Cars, as defined below, ("ATEL"), pursuant to a Railcar Management Agreement dated as of April 1, 2002, as amended, and National Recycling Inc. ("Lessee"), an Ontario corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Master Lease"), dated as of April 14, 2011, whereby Lessor has agreed to lease to Lessee certain railcars as described more specifically on Exhibit A attached hereto, (the "Cars"), pursuant to Rider No. 1 (the "Rider") which Rider incorporates by reference the terms and condition of the Master Lease and is a separate and independent lease, (the "Lease"), effective as of April 28, 2011, and subject to the terms, conditions and provisions of the above-mentioned Lease.

Lessor hereby assigns and transfers to ATEL all of its right, title and interest as Lessor in the Lease, excluding from such assignment only its rights as manager of the Lease and Cars under the Railcar Management Agreement.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION,
as MANAGER FOR
ATEL Leasing Corporation

ATTEST:

By: Richard F. SeymourName: RICHARD F. SEYMOUR
VICE PRESIDENT SALES & MARKETING

Title: _____

By: Susan GrokulskaName: SUSAN GROKULSKY
Assistant Director
Title: OF DOCUMENTATIONExecuted on this 2nd day of May, 2011.STATE OF ILLINOISCOUNTY OF COOK

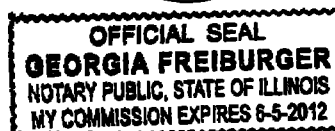
I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 2nd day of May, 2011.

My Commission Expires:

6-2012
(Notary Public)


Notary Public



LESSEE:

NATIONAL RECYCLING INC.

ATTEST:

By: 

Name: Tanya Hasein

Title: Office Coordinator

By: 

Name: IRFAN RAHMAN

Title: PRESIDENT

Executed on this 11 day of April, 2011.

[CORPORATE SEAL]

PROVINCE OF ONTARIO

DISTRICT OF _____

I, _____, a Commissioner of Oaths of the Province and District aforesaid, certify that _____ personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this _____ day of _____, 2011.

Commissioner of Oaths

Commission Expires:

(Commissioner of Oaths)

EXHIBIT A
to
MEMORANDUM OF LEASE

| | |
|----------------------|---|
| NUMBER OF CARS: | Four (4). |
| DESCRIPTION OF CARS: | 52'6" inside length mill gondolas with 8' sides and a total gross rail load of 263,000 (AAR Car Type E535). |
| CAR NUMBERS: | AFCX 319996, AFCX 319997, AFCX 319998, and AFCX 319999. |